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OF COUNSEL
WILLIAM G. CONLY

June 14, 2007

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Zone, Reservoir A; Cotton Valley Formation,
Reservoir A; and Lower Cotton Valley Zone, Reservoir
A; ELM GROVE FIELD, Caddo and Bossier Parishes,
Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Zone, Reservoir A; to the Cotton Valley Formation, Reservoir A; and to the Lower Cotton Valley Zone, Reservoir A; in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana:

1. To permit Applicant to designate and utilize four (4) additional alternate unit wells for HOSS RA SU116, and one (1) additional alternate unit well each for CV RA SU130 and for LCV RA SUWW, at the locations shown on the attached plats.
2. To approve exceptions to the spacing provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972 (applicable to the Hosston Zone, Reservoir A), Office of Conservation Order No. 361-B, effective October 1, 1973 (applicable to the Cotton Valley Formation, Reservoir A), and Office of Conservation Order No. 361-E, effective July 16, 1996 (applicable to the Lower Cotton Valley Zone, Reservoir A), for the location of any of the proposed alternate unit wells, as shown on the attached plats, which does not comply with the spacing provisions of said Orders.
3. To find that each of the proposed additional alternate unit wells is necessary to efficiently and economically drain a portion of the unit on which it is proposed to be utilized which cannot be efficiently and economically drained by any existing well on such unit.
4. To discuss such other matters as may be pertinent to this application.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster, Bienville and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent Orders of the 361-A series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Webster, Bienville and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B series of Orders

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The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster, Bienville and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

Pertinent data concerning this application is available for inspection at the offices of Mr. Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person wishing to inspect such data should call Mr. Adams at (225) 686-2355 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

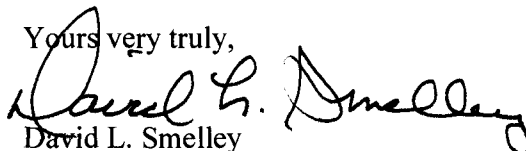
As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of each of the three (3) attached plats, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plats at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Elm Grove Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose a check payable to the Commissioner of Conservation for the application fee.

Yours very truly,

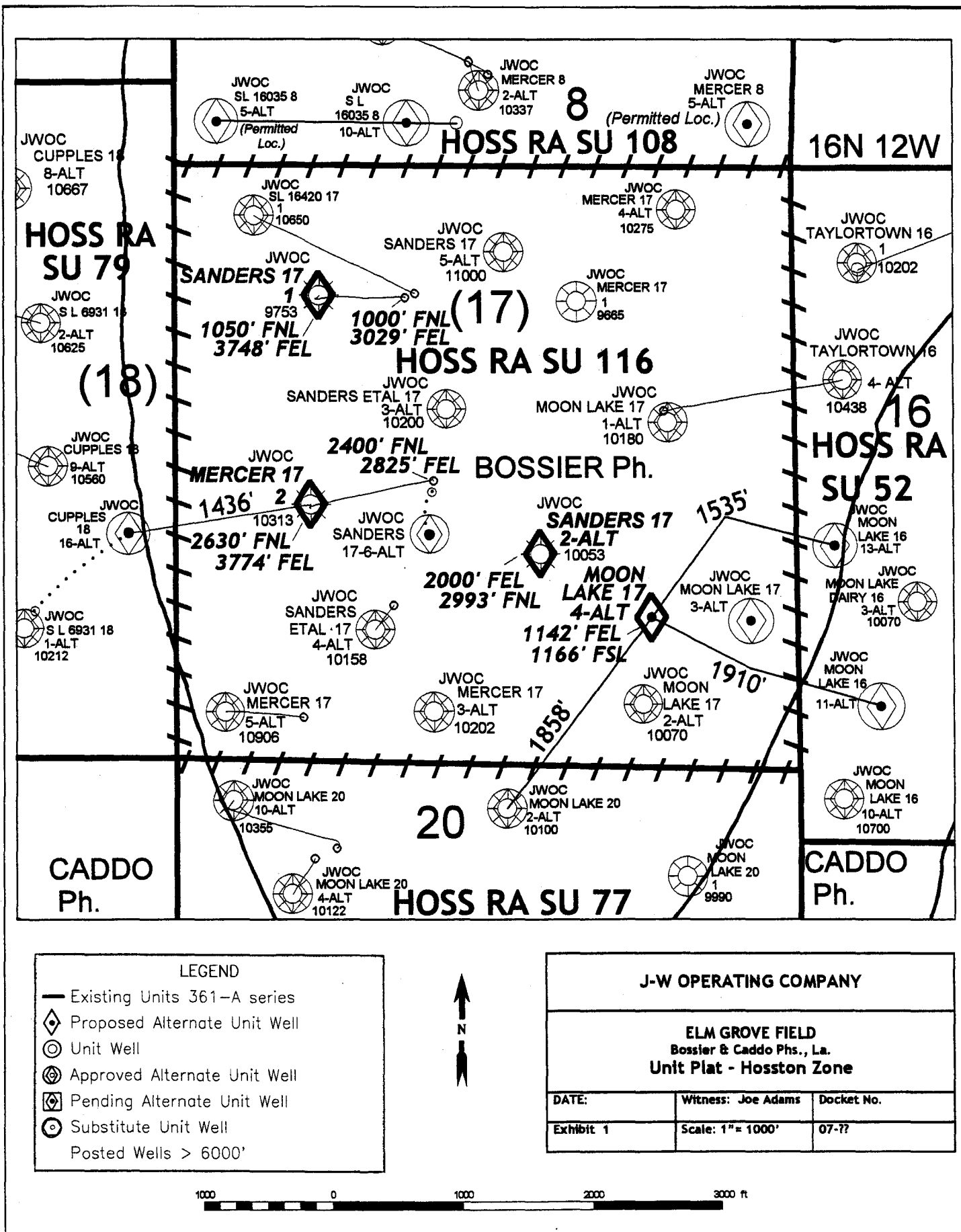


David L. Smelley

-- Attorney for J-W Operating Company

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Jerry Wooten (w/encls.)
Mr. Michael Baca (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plats only)



JWOC
CUPPLES 18
8-ALT
10667

**HOSS RA
SU 79**

JWOC
S L 6931 18
2-ALT
10625

(18)

JWOC
CUPPLES 18
8-ALT
10560

JWOC
CUPPLES 18
16-ALT

JWOC
S L 6931 18
1-ALT
10212

**CADDO
Ph.**

JWOC
SL 16035 8
5-ALT
(Permitted
Loc.)

JWOC
S L 16035 8
10-ALT

8
HOSS RA SU 108

JWOC
MERCER 8
2-ALT
10337

JWOC
MERCER 8
5-ALT
(Permitted Loc.)

JWOC
SL 16420 17
1
10650

JWOC
SANDERS 17
1
1050' FNL
3748' FEL

JWOC
SANDERS 17
5-ALT
11000

1000' FNL
3029' FEL

HOSS RA SU 116

JWOC
SANDERS ETAL 17
3-ALT
10200

JWOC
MOON LAKE 17
1-ALT
10180

JWOC
MERCER 17
2

1436' 2
2630' FNL
3774' FEL

2400' FNL
2825' FEL **BOSSIER Ph.**

JWOC
SANDERS
17-6-ALT

JWOC
SANDERS
ETAL 17
4-ALT
10158

JWOC
MERCER 17
5-ALT
10906

JWOC
MERCER 17
3-ALT
10202

JWOC
SANDERS 17
2-ALT
10053

2000' FEL
2993' FNL
MOON LAKE 17
4-ALT
1142' FEL
1166' FSL

JWOC
MOON LAKE 17
2-ALT
10070

1535'
JWOC
MOON LAKE 17
3-ALT

JWOC
TAYLORTOWN 16
4-ALT
10438

16
**HOSS RA
SU 52**

JWOC
MOON LAKE 16
13-ALT

JWOC
MOON LAKE
DAIRY 16
3-ALT
10070

JWOC
MOON LAKE 16
11-ALT

JWOC
MOON LAKE 16
10-ALT
10700

**CADDO
Ph.**

JWOC
MOON LAKE 20
10-ALT
10355

JWOC
MOON LAKE 20
2-ALT
10100

JWOC
MOON LAKE 20
1
9990

20
HOSS RA SU 77

JWOC
MOON LAKE 20
4-ALT
10122

